



**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
STATE CAPITOL
NASHVILLE, TENNESSEE 37243-0285**

LARRY B. MARTIN
COMMISSIONER

FOR IMMEDIATE RELEASE
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CONTACT: DAVID THURMAN
615-741-4806

AUGUST REVENUES

NASHVILLE – Tennessee revenue collections fell short of budgeted estimates for the first month of the state’s fiscal year. Finance and Administration Commissioner Larry Martin today reported that overall August revenues were \$838.9 million, which is \$24.1 million above August 2012 collections, but falls below the estimate made earlier this year when the budget was approved for fiscal year 2013-14. The growth rate for August was 2.96%.

“For some time, we’ve been very concerned about the slow economic recovery at the national level, and August collections indicate that Tennessee’s recovery also continues at a very slow pace,” Martin said. “Sales tax collections for August reflect modest growth over the same time period one year ago but corporate tax collections recorded negative growth for the month, all of which kept us below the budgeted estimate for August.

“Due to federal budget uncertainties and national economic indicators, it will be necessary for us to closely monitor the state’s spending and revenue patterns each month through the fiscal year.”

On an accrual basis, August is the first month in the 2013-2014 fiscal year.

August collections were \$24.3 million less than the budgeted estimate. The general fund was under collected by \$20.8 million and the four other funds that share in state tax collections were under collected by \$3.5 million.

Sales tax collections were \$9.2 million less than the estimate for August. The August growth rate was positive 3.75%.

Franchise and excise taxes combined were \$15.1 million below the budgeted estimate of \$46.8 million, and the growth rate was negative 10.69%.

Gasoline and motor fuel collections increased by 0.09% from August of 2012, but were \$4.6 million below the budgeted estimate of \$71.7 million.

Inheritance tax collections were \$0.7 million above the budgeted estimate.

Privilege tax collections were \$4.2 million more than the budgeted estimate of \$20.0 million

Business tax collections were \$0.6 million above the August estimate.

Tobacco tax collections for the month were under collected by \$0.5 million.

All other taxes were under collected by a net of \$0.4 million.

The budgeted revenue estimates for 2013-2014 are based on the State Funding Board’s consensus recommendation of December 19th, 2012 and adopted by the first session of the 108th General Assembly in April 2013. They are available on the state’s website at <http://www.tn.gov/finance/bud/Revenues.shtml>.

Table 1
Revenue Collections by Fund
August
2013-2014

Fund	2013				2012 Actual	2013	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
General Fund	\$681,112,000	\$701,894,000	(\$20,782,000)	-2.96%	\$659,521,000	\$21,591,000	3.27%
Highway Fund	56,172,000	57,423,000	(1,251,000)	-2.18%	53,889,000	2,283,000	4.24%
Sinking Fund	34,230,000	34,302,000	(72,000)	-0.21%	33,397,000	833,000	2.49%
City & County Fund	64,509,000	66,731,000	(2,222,000)	-3.33%	65,093,000	(584,000)	-0.90%
Earmarked Fund	2,899,000	2,900,000	(1,000)	-0.03%	2,900,000	(1,000)	-0.03%
Total	\$838,922,000	\$863,250,000	(\$24,328,000)	-2.82%	\$814,800,000	\$24,122,000	2.96%

Revenue Collections by Tax
August
2013-2014

Tax Source	2013				2012 Actual	2013	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
Franchise & Excise	\$31,656,000	\$46,800,000	(\$15,144,000)	-32.36%	\$35,444,000	(\$3,788,000)	-10.69%
Income	1,150,000	1,050,000	100,000	9.52%	1,081,000	69,000	6.38%
Inheritance & Estate	8,666,000	8,007,000	659,000	8.23%	12,180,000	(3,514,000)	-28.85%
Gasoline	50,649,000	53,950,000	(3,301,000)	-6.12%	52,031,000	(1,382,000)	-2.66%
Petroleum Special	5,182,000	5,450,000	(268,000)	-4.92%	5,311,000	(129,000)	-2.43%
Tobacco	23,308,000	23,770,000	(462,000)	-1.94%	24,770,000	(1,462,000)	-5.90%
Beer	1,618,000	1,486,000	132,000	8.88%	1,474,000	144,000	9.77%
Motor Vehicle Registration	22,224,000	20,625,000	1,599,000	7.75%	20,654,000	1,570,000	7.60%
Motor Vehicle Title	1,110,000	1,142,000	(32,000)	-2.80%	1,033,000	77,000	7.45%
Mixed Drink	5,469,000	5,818,000	(349,000)	-6.00%	5,406,000	63,000	1.17%
Business	18,674,000	18,071,000	603,000	3.34%	17,340,000	1,334,000	7.69%
Privilege	24,258,000	20,010,000	4,248,000	21.23%	15,828,000	8,430,000	53.26%
Gross Receipts	11,823,000	14,158,000	(2,335,000)	-16.49%	11,240,000	583,000	5.19%
TVA - In Lieu of Tax Payments	27,297,000	27,297,000	-	0.00%	28,662,000	(1,365,000)	-4.76%
Alcoholic Beverage	4,164,000	3,858,000	306,000	7.93%	3,690,000	474,000	12.85%
Sales and Use	590,045,000	599,200,000	(9,155,000)	-1.53%	568,719,000	21,326,000	3.75%
Motor Vehicle Fuel	11,320,000	12,302,000	(982,000)	-7.98%	9,751,000	1,569,000	16.09%
Severance	244,000	230,000	14,000	6.09%	160,000	84,000	52.50%
Coin-operated Amusement	65,000	26,000	39,000	150.00%	26,000	39,000	150.00%
Unauthorized Substance	0	0	0	NA	0	0	NA
Total	\$838,922,000	\$863,250,000	(\$24,328,000)	-2.82%	\$814,800,000	\$24,122,000	2.96%